

# KENTUCKY AGRICULTURAL DEVELOPMENT FUND UPDATE

SEPTEMBER 14, 2005

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*Cultivating rural  
prosperity*



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## ADF Meeting in Review

During the Kentucky State Fair, the Agricultural Development Board (Board) met to review applications submitted for funding. The Board approved \$2,898,190 for agricultural diversification efforts in the Commonwealth.

Fifteen non-model projects were approved for \$393,212 in county funds and \$1,287,121 in state funds. These projects ranged in scope from community farmers' market development to farmer education assistance.

The balance of funds (\$1,217,857) approved were for 7 of the 13 county model programs. County model programs provide farmers with cost-share funds to improve and diversify their current enterprises.

### Agricultural Diversification

\$134,500 / 4 counties

### Cattle Handling

\$219,500 / 3 counties

### Fencing Improvement

\$147,000 / 2 counties

### Forage Improvement

\$143,426 / 3 counties

### Goat Diversification

\$55,500 / 4 counties

### Hay, Straw, Commodity Storage

\$413,054 / 4 counties

### On-farm Water Enhancement

\$94,877 / 2 counties

At this meeting the Board approved the final round of the *2005 Farmers' Market Competitive Grants Program*. At its October 2004 planning meeting, the Board set aside \$1,500,000 for support of community and regional farmers' markets.



*Farmers' markets provide a direct market for farmers and fresh Kentucky grown produce for consumers.*

[PHOTO: Brian Moore, Creative Services]

Four community farmers' markets and one regional feasibility study, totaling \$202,124, were approved in the final round of funding for 2005.

## FEASIBILITY STUDY APPROVED:

- City of Erlanger (Kenton Co.)

*(Continued on page 3)*

## Model Program Update

### **CLOSE-OUT PAPERWORK**

**W**hen it comes time to close out a particular model program grant, the following is a list of the items that are to be submitted within 60-days of the anniversary date of the legal agreement:

- 1) Quarterly/Close-out Summary Sheet
- 2) Final Quarterly Detail Sheet
- 3) Close-out Detail Sheet
- 4) Refund check for any cost-share funds remaining.

The 60-day grace period is for completing paperwork and making sure checks that have been disbursed clear the bank. Reimbursements should not be made to producers during this period for the grant being closed.

If you have questions about a particular model program grant, then please feel free to call your Area Project Analyst or Brad Nelson, Compliance Specialist for model programs, at (502) 564-4627.

### **SHARED-USE EQUIPMENT**

The Shared-use Equipment program was established as a way to provide producers access to needed equipment where individual ownership may be cost prohibitive.

Over the last four years, shared-use equipment projects have evolved into a model program all its own. Early shared-use equipment projects were included as part of the model forage and cattle handling programs. As necessary equipment not fitting within those programs were identified, several non-model projects were approved for vegetable, goat, and other equipment.

To ensure that all shared-use equipment programs provided the same opportunities and were administered in a similar manner, the Board developed a shared-use model program. This program limits the items that can be purchased for shared-use, but provides flexibility in allowing the state Board to add equipment as necessary.

#### **EQUIPMENT USAGE TOP 5**

No-till Drill  
In-line Bale Wrapper  
Single Bale Wrapper  
Lime Spreader  
Silage Baler

The top two pieces of equipment purchased by county administrators for shared-use are the no-till drill and the lime spreader.

#### **SAVE THE DATE**

#### **Board Planning Meeting**

It's time again for the Agricultural Development Board's annual planning meeting.

**November 17 & 18**

Blue Licks State Resort Park

## ADF Board Meetings in Review

(Continued from page 1)

### FARMERS' MARKETS APPROVED:


- City of Springfield (Washington Co.)
- Johnson Co. Extension District
- Logan Co. Extension District
- Nicholas Co. Farmers' Market

A total of \$405,125 was awarded through this competitive program. The Board will discuss the continuation of this program at its November Planning meeting.

Also, during their August meeting, the Board heard a presentation from the Kentucky Entrepreneurial Coaches Institute, which received KCADE funds in 2003 for a pilot program to train entrepreneurial coaches

who will assist agricultural entrepreneurs, as well as help develop the entrepreneurial culture in Kentucky's northeastern counties—an area heavily impacted by tobacco.

Board members heard from two of the Institutes new coaches—Annette Walters (Mason Co.) and Tony Watkins (Owen Co.). Walters spoke about how coaches assist entrepreneurs in developing their ideas, which is an 8-step process. Watkins shared his experience in the development of an entrepreneurial culture in a rural community through local youth programs.

For more information on projects receiving funds at these meetings, visit [agpolicy.ky.gov/news.shtml](http://agpolicy.ky.gov/news.shtml). 



## Farmers' Market Awards

The following received funds in the final round of the *2005 Competitive Farmers' Market Grants*.

### CITY OF ERLANGER

The City of Erlanger was approved for \$1,912 in state and \$1,912 in Kenton County funds to conduct a feasibility study on the creation of a farmers' market pavilion.

### CITY OF SPRINGFIELD

The City of Springfield was approved for \$25,000 in Washington County and \$25,000 in state funds to build a permanent structure for the Springfield Farmers' Market.

### JOHNSON CO. EXTENSION DISTRICT


Johnson County Extension District was approved for \$11,150 in Johnson

County and \$11,150 in state funds to construct a covered shed for the Johnson County Farmers' Market.

### LOGAN CO. EXTENSION DISTRICT BOARD

The Logan County Extension Board was approved for \$70,000 in Logan County and \$50,000 in state funds to construct a permanent marketing facility for the Logan County Farmers' Market organization.

### NICHOLAS CO. FARMERS' MARKET

Nicholas County Fiscal Court was approved for \$3,000 in Nicholas County and \$3,000 in state funds to construct a temporary shelter for the Nicholas County Farmers' Market. 

## APPLICATION DEADLINES

### Model Programs & Amendments:

Due 1st Friday of each Month for consideration at that month's Board meeting.

### Non-Model Project Applications:

Due 2nd Friday of each Month for referral and consideration at the next month's meeting.

## OTHER REQUIREMENTS

### Non-model Applications:

Applicant responsible for providing GOAP the **original** and **16 copies** of their submitted application.

### Model Program Applications:

Program Administrator responsible for providing GOAP the **original** and **1 copy** of their submitted application.

## Phase II Update

On August 19<sup>th</sup> the North Carolina Supreme Court issued a unanimous ruling in favor of tobacco farmers and the National Tobacco Settlement Trust, requiring the tobacco companies to pay the 2004 Phase II payments.

As Governor Fletcher said following the announcement, this ruling confirmed what we believed all along that the intent of Congress was to keep the 2004 Phase II payment in place when they passed the federal tobacco buyout last year.

The tobacco companies have remained silent since the ruling, therefore as to any plans to appeal or attempt to delay the payment are unknown at this time. Yesterday, the Trust and the states filed a motion with the trial court asking the court to re-

quire the companies to pay the 4<sup>th</sup> and final payment within ten days. No matter how the companies respond it will take at least a couple months to complete the process.

Kentucky is the only state that stepped forward and provided its producers a 2004 Phase II payment thanks to the leadership from the Governor and the General Assembly. Because of that action, Kentucky will receive the first \$114 million to cover the cost of Kentucky Phase II payment, everything above \$114 million will go to the producers.

Kentucky will use the \$114 to first settle the bond and then replace the funds used from the Agricultural Development Fund. This will allow Kentucky to continue to lead tobacco states in helping its farmer's transition and adjust to the changing agricultural economy.

## USDA Farm Bill Forum

Around 500 Kentuckians interested in national policy for agriculture and rural development gathered at the Kentucky Fair and Exposition Center Wednesday, August 31 to meet and share their views with Secretary Mike Johanns. The Kentucky forum was part of a nationwide listening tour aimed at gaining public input useful in preparing for the 2007 Farm Bill.

The Farm Bill Forum provided an opportunity for the USDA Secretary to hear directly from Kentucky's producers and other stakeholders who have tremendous insight to offer.

"I am pleased the Secretary accepted Governor Fletcher's invitation to come to Kentucky for the Farm Bill Forum," stated Keith Rogers, Executive Director of the Governor's Office of Agricultural Policy.

"I think that the Secretary was very pleased with our forum and the message he heard. There's no question that Kentucky made a great impression on the Secretary."

Those participating in the forum were given two minutes to comment on one or more of six questions addressing different areas of the farm bill: subsidy programs, trade, environmental stewardship, rural development, and research. Other specialty forums will be hosted to focus on conservation, rural development, and nutrition.

The public is also welcome to submit their comments via the USDA Farm Bill Forum's website at <http://www.usda.gov/farmbill>. Through 2005, Secretary of Agriculture Mike Johanns and other senior USDA officials will host Farm Bill Forums through the country. The dates, location and times of the forums will continue to be announced as they are scheduled and posted on the USDA website.

## GOAP WEBSITE UPDATES

### County Account Availability (8/26/2005) posted:

<http://agpolicy.ky.gov/funds/availability.shtml>

### ADF Board Meeting

#### Details updated:

<http://agpolicy.ky.gov/board/meetings.shtml>

#### Calendar updated:

<http://agpolicy.ky.gov/calendar.shtml>

### Educational Events & Festivals Calendar:

<http://agpolicy.ky.gov/kcade/education.shtml>

[agpolicy.ky.gov](http://agpolicy.ky.gov)

## FUTURE MEETINGS

### KADF Board Meeting

*Friday, Sept. 16  
10:00 a.m.  
Frankfort*

### Tobacco Settlement Oversight Committee

*Tuesday, Oct. 11  
1:00 p.m.  
Frankfort*

### KY Ag. Finance Corporation

*Wednesday, Oct. 12  
Frankfort*

*\*\*Meeting locations & times  
subject to change \*\**